



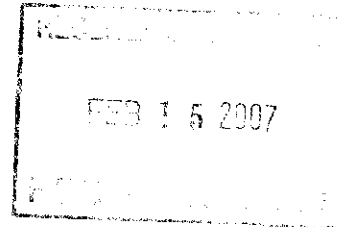
SINGING RIVER HOSPITAL SYSTEM

OCEAN SPRINGS HOSPITAL | SINGING RIVER HOSPITAL

DO NOT WRITE ON ORIGINAL

February 7, 2007

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
9300 East Hampton Drive
Capitol Heights, MD 20743



Regarding: Appeal of USAC Denial on behalf of Singing River Hospital (SRH),
HCP#15576, FCC WC Docket Number 02-60

Dear Ms Dortch:

Singing River Hospital System is a State of Mississippi, Jackson County-owned public, not-for-profit hospital system comprised of Singing River Hospital, located in Pascagoula, Mississippi, and Ocean Springs Hospital, located in Ocean Springs, Mississippi. Our administrative offices are located in Gautier, Mississippi. Singing River Hospital System would like to appeal the denial of the Request for Review and Recalculation of Support, filed June 15, 2006 in the name of Singing River Hospital (HCP # 15576), and denied by USAC, January 25, 2007 (Enclosure 5). Falling under the extended coverage provided by the Hurricane Katrina Order FCC 05-178, WC Docket No. 02-60, Singing River Hospital System was approved to submit costs for high-speed voice and digital circuits to RHCD, for a fifty percent reimbursement of the fees paid to our service provider BellSouth. We did so, and on December 28, 2006, recouped \$131,227.99 of the \$156,571.92 we had filed claims on. We were denied the remaining \$25,343.93 in reimbursable cost.

On May 3, 2006, we were informed by Elizabeth Matson, of USAC (Enclosure 1), that we had been denied some of our claimed expenses because we had included them with the Singing River Hospital claim, when we should have filed them separately. After further communications (Enclosure 2), she informed us that our only recourse was to file an appeal, since the denial occurred after the filing deadline. On June 15, 2006, we filed a letter of appeal (Enclosure 3). Having heard nothing from RHCD on the appeal, we sent another packet of material on January 8, 2007 (Enclosure 4). On January 25, we received an electronic communication from Mr. Donald Short, of USAC (Enclosure 5); a rather terse restatement of information provided months earlier by Ms Matson, and another denial.

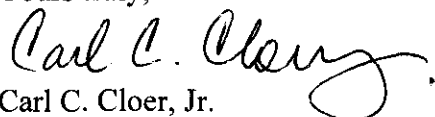
We understand that according to USAC, we filed in error. This was the first and hopefully last time, given the special circumstances, we qualified to file, and made what

No. of Copies rec'd 0
List ABCDE

amounted to a first-timer filing error. We suggest however, that USAC denied Singing River Hospital System due process in recovering legitimate, reimbursable charges by denying the claim after the filing deadlines had passed. In fact, it would have been impossible to re-file. RHCD's deadline for filing a 465 was December 13, 2005, months before the filing deadline for submitting reimbursable charges. This created an unfair policy that allowed no margin for error on the part of a new filer. In addition, we suggest that the appeal denial was based upon a rule that did not apply to the broader coverage granted under WC Docket Number 02-60. The denial was based solely upon the fact that we did not file a separate form 465 for our Gautier facility. The instructions for filing a 465 state "...a separate Form 465 should be filed for each eligible entity in the consortium, using the entity's address, so that it can be verified as rural and its Maximum Allowable Distance can be determined". Under the broader scope of the FCC Order, all Mississippi counties were included and both rural and non-rural not-for-profit health care providers were eligible, invalidating the only stated reason for requiring separate forms. We would like to further suggest that Mr. Short, and USAC in general, have overlooked the intent of the FCC regarding the Hurricane Katrina telecommunications effort, by denying our appeal on a technical rules violation.

Ms Dortch, your advocacy on behalf of Singing River Hospital System, regarding the matter of the USAC denial, is requested and appreciated. While \$25,343.93 may seem a small amount to USAC, we assure you the monies we seek reimbursement for have been and continue to be used for telecommunications and information systems services employed to provide the highest quality health care for our citizens and other victims of Hurricane Katrina, as we rebuild Jackson County and the Mississippi Gulf Coast. My contact information is included below. Thank you for your assistance in this matter.

Yours truly,



Carl C. Cloer, Jr.
Grants Administrator
Singing River Hospital System
2101 Highway 90, Gautier, 39553
(228) 497-8877
fax: (228) 497-8863
c_cloer@srhshealth.com

cc: Chris Anderson, Chief Executive Officer, SRHS
Michael E. Crews, Chief Financial Officer, SRHS

Enclosures: 5

Carl Cloer - Rural Health Care Application HCP 15576

From: "Matson, Elizabeth" <EMATSON@rhc.universalservice.org>
To: <blake.swanson@bellsouth.com>, <c_cloer@srhshealth.com>
Date: 5/3/2006 9:37 AM
Subject: Rural Health Care Application HCP 15576
CC: "Matson, Elizabeth" <EMATSON@rhc.universalservice.org>

Enclosure 1

Carl:

I spoke to Blake Swanson today after reviewing the documentation for your rural rate of \$26,742.14. Your Form 465 covers all services that begin or end at the Singing River Hospital, located at 2809 Denny Avenue in Pascagoula. The rural rate documentation shows documentation for your additional site, located in Gautier. All charges associated with this additional site need to be removed from the rural rate. Your rural rate will be changed from \$26,742.14 to \$21,723.54.

If you have any questions please do not hesitate to contact me. Thank you for your participation in the Rural Health Care Program.

Elizabeth G. Matson

Associate Manager, Rural Health Care

P: (973) 581-5009

P: (800) 229-5476

F: (973) 599-6514

ematson@rhc.universalservice.org

<http://www.rhc.universalservice.org>

From: "Matson, Elizabeth" <EMATSON@rhc.universalservice.org>
To: "Carl Cloer" <C_CLOER@srhshealth.com>
Date: 5/3/2006 10:05:38 AM
Subject: RE: Rural Health Care Application HCP 15576

Enclosure 2

Carl:

Each location needs it's own Form 465 posted. Your site located at Ocean Springs is listed under HCP 15575 and all charges associated with this site are eligible. Your site located at Pascagoula is listed under HCP 15576 and all charges associated with this site are eligible. The location in Gautier does not have an HCP number or a Form 465 associated with it. Based on the documentation for the HCP 15576, it appears you are combining the charges for both the Pascagoula site and Gautier on this one application. This can not be done. Unfortunately, it is too late for you to post a Form 465 for the Gautier site.

If you need further clarification please do not hesitate to contact me.

Elizabeth

-----Original Message-----

From: Carl Cloer [mailto:C_CLOER@srhshealth.com]
Sent: Wednesday, May 03, 2006 10:45 AM
To: Matson, Elizabeth
Cc: Tammy Harris
Subject: Re: Rural Health Care Application HCP 15576

Elizabeth:

The Gautier facility houses our administrative and billing offices for Singing River Hospital and Ocean Springs Hospital, as well as our hospice facility. The broadband services there are paramount to the continuation of services rendered by both hospitals in our system. We were advised by your organization to include the monthly charges when we filed. What has changed? Thank you.

Carl Cloer, I.T. Consultant
Singing River Hospital System
2101 Highway 90
Gautier, MS 39553
228.497.8877
c_cloer@srhshealth.com

>>> "Matson, Elizabeth" <EMATSON@rhc.universalservice.org> 5/3/2006 9:37 AM >>>

Carl:

I spoke to Blake Swanson today after reviewing the documentation for your rural rate of \$26,742.14. Your Form 465 covers all services that begin or end at the Singing River Hospital, located at 2809 Denny Avenue in Pascagoula. The rural rate documentation shows documentation for your additional site, located in Gautier. All charges associated with this additional site need to be removed from the rural rate. Your rural

rate will be changed from \$26,742.14 to \$21,723.54.

If you have any questions please do not hesitate to contact me. Thank you for your participation in the Rural Health Care Program.

Elizabeth G. Matson

Associate Manager, Rural Health Care

P: (973) 581-5009

P: (800) 229-5476

F: (973) 599-6514

ematson@rhc.universalservice.org

<http://www.rhc.universalservice.org>



SINGING RIVER HOSPITAL SYSTEM

OCEAN SPRINGS HOSPITAL | SINGING RIVER HOSPITAL

June 15, 2006

Enclosure 3

Letter Of Appeal
Rural Health Care Division of USAC
2000 L Street Northwest, Suite 200
Washington, DC 20036

To Whom It May Concern:

We are appealing the decision to reduce the Funding Commitment For Singing River Hospital System for Funding Year 2005, submitted as Requests 19774 and 19775. The Funding Commitment for Singing River Hospital, HCP Number 15576, was reduced from \$26,742.14 to \$21,723.54, due to the fact that facility charges for our Gautier administrative offices were bundled into the 19775 filing for Singing River Hospital. We filed that way after consulting with USAC and were denied after it was too late to re-file a separate funding request. The charges for our Gautier facility are legitimate, and were denied by technicality. Our lack of familiarity with the filing requirements are due to the fact that we normally do not qualify as a rural health care provider and were only able to file in 2005 under the Hurricane Katrina provision. We have enclosed the email from Elizabeth Matson, notifying us of the rural rate change, as well as a BellSouth fax showing the denied services amounting to \$5,018.60, highlighted in pink. We respectfully request that USAC reverse their ruling and grant the additional funding.

Respectfully,

Michael E. Crews, CPA
Chief Financial Officer
Singing River Hospital System



BellSouth Telecommunications, Inc. Fax

The following list represents all Circuits Terminated for the Singing River Hospital in Pascagoula, Mississippi, and Hospital Administration Building in Gautier, Mississippi

2809 DENNY AVE. 228-809-5000 (5) PRIMARY RATE ISDN
 70.IPZD.506501.001.SCPRI CN 039256 \$3,877.10
 PASCAGOULA,MS (115) B CHANNELS
 70.IPZD.506502.001.SC 8/28/2006
 (5) D CHANNELS 70.IPZD.506503.001.SC

70.IPZD.506769.001.SC
 70.IPZD.507391.001.SC

[REDACTED] (5) PRIMARY RATE ISDN
 [REDACTED] CN 039256
 [REDACTED] (115) B CHANNELS 70.IPZD.504034.SC
 8/28/2006
 (5) D CHANNELS
 [REDACTED]
 [REDACTED] 228-809-5000 P/E MEGA LINK
 70.DHSG-506501.001.MEGA LINK TA 4.0124.99 \$290.00
 [REDACTED]
 [REDACTED] 228-809-5000 P/E MEGA LINK
 70.DHSG-506502.001.MEGA LINK TA 4.0124.99
 \$290.00
 [REDACTED] MS
 [REDACTED] HWY 90
 [REDACTED] MS



BellSouth Telecommunications, Inc. Fax

CKL-1 2101 HWY 90 228-M23-2-24 P/P MEGALINK

70.DHDG.50728..SC VOICE AND 56KB M/M

228-M23-2-24

PASCAGOULA,MS

CKL-2 2012 HWY 90
GAUTIER,MS

CKL-1 2809 DENNY AVE. 228-M83-0565 P/P MEGALINK
70.DHDG.500728..SC VOICE AND 56KB M/M

\$478.00

PASCAGOULA,MS

CKL-2 2101 W. HWY 90
GAUTIER,MS

CKL-1 2809 DENNY AVE. 228-M24-2798 P/P MEGALINK
70.DHDG.505033..SC TI REF LAB M/M \$290.00

PASCAGOULA,MS

CKL-2 4211 HOSPITAL ST.
PASCAGOULA,MS

2809 DENNY AVE. 228-M24-3253
SMARTRING 701 OC48 OCSPMSASKAA N/A

CN MS04-1295-01

PASCAGOULA,MS

228-M24-7331

228-M24-2743

\$10,385.30

\$3,867.14

\$246.00

TOTAL \$14,498.44



BellSouth Telecommunications, Inc. Fax

~~128-M24-5104 Metro E 70.LVXN.500059 Metro E Gaut \$ 1,500.00~~

128-M24-5922 Metro E 70.LVXN.500060 Metro E Pasc \$ 1,500.00

Internet T-1 Singing River Hospital - 70.QGDA.503941 -
\$1080.00

~~Internet T-1 Singing River Hospital - 70.QGDA.503941 -
\$1080.00~~

Blake Swanson
Major Account Manager
BellSouth Business
MS Gulf Coast
228-386-5124

26,742.14

Enclosure 4

January 8, 2007

Letter Of Appeal
Rural Health Care Division of USAC
2000 L Street Northwest, Suite 200
Washington, DC 20036

To Whom It May Concern:

In June 2006, we sent the attached letter of appeal. Having never gotten confirmation that the document and its enclosures were ever received, we are resending the packet and requesting a formal ruling on our request. Thank you.

Respectfully,

Michael E. Crews, CPA
Chief Financial Officer
Singing River Hospital System

Enclosures (3)

cc: The Honorable Trent Lott, Senator, State of Mississippi

Carl Cloer - Response to Appeal

From: "Don Short" <dshort@usac.org>
To: <m_crews@srhshealth.com>
Date: 1/25/2007 10:22 AM
Subject: Response to Appeal
CC: "RHCAAdmin" <RHCAAdmin@usac.org>

Enclosure 5

On behalf of the USAC's Rural Health Care Division, please see the attached response to your appeal.

Sincerely,

Don Short

Confidentiality Notice:

The information in this e-mail and any attachments thereto is intended for the named recipient(s) only. This e-mail, including any attachments, may contain information that is privileged and confidential and subject to legal restrictions and penalties regarding its unauthorized disclosure or other use. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or the taking of any action or inaction in reliance on the contents of this e-mail and any of its attachments is STRICTLY PROHIBITED. If you have received this e-mail in error, please immediately notify the sender via return e-mail; delete this e-mail and all attachments from your e-mail system and your computer system and network; and destroy any paper copies you may have in your possession. Thank you for your cooperation.

Donald K. Short

Universal Service Administrative Company
2000 L Street, NW Suite 200
Washington, DC 20036
202-263-1617 (Direct)
202-776-0080 (FAX)
DShort@usac.org



Administrator's Decision on Rural Health Care Program Appeal

January 25, 2007

VIA ELECTRONIC AND CERTIFIED MAIL

Mr. Michael E. Crews, CPA
Chief Financial Officer
Singing River Hospital System
2101 Highway 90
Gautier, MS 39553

RE: Request for Review and Recalculation of Support
Singing River Hospital (HCP # 15576)

Dear Mr. Crews:

The Universal Service Administrative Company (USAC) has completed its evaluation of your June 15, 2006 letter of appeal submitted on behalf of Singing River Hospital (SRH) HCP#15576. Your appeal requests USAC increase support from previously determined levels. Upon review, USAC concludes a higher level of support is not appropriate.

Decision on Appeal: Denied

Explanation of Decision: RHCD correctly denied the support for the Guatier Administrative offices since no Form 465 was filed for this site. The directions for completing block 4, line 27 of Form 465 state, "... health care providers may only receive support for services provided to the physical location given in Block 1(HCP Location Information), meaning that unless the "above entities" are at that address, they cannot receive support. Rather, a separate Form 465 should be filed for each eligible entity in the consortium, using that entity's address..." USAC hereby denies the support requested for the facility because Guatier did not file a Form 465 and the Form 466-A filed for this service listed the applicant as Singing River Hospital.

If you wish to further appeal this decision, you may file an appeal with the FCC. Detailed instructions for filing appeals are available at:

<http://www.usac.org/rhc/about/filing-appeals.aspx>

Sincerely,

/s/ USAC

Universal Service Administrative Company